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IN THE
Supreme Court of the United States

OCTOBER TERM, 1995

LOTUS DEVELOPMENT CORPORATION,

Petitioner,

—v.—

BORLAND INTERNATIONAL, INC.,

Respondent.

ON WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE FIRST CIRCUIT

REPLY BRIEF FOR THE PETITIONER

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STATEMENT PURSUANT TO RULE 29.6

See pp. i-iv of Petitioner's Reply In Support of Petition for
a Writ of Certiorari.

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This case is not about jet aircraft cockpits, wall sockets, bicycle pedals, or any other of the increasingly far-fetched analogies that Borland and its *amici* proffer in place of reasoned principle to try to justify the First Circuit's decision. Rather, this case concerns an original selection and arrangement of *words*, displayed in a structured order and sequence in the menus of the 1-2-3 computer program. Lotus never sought, and the district court never granted, copyright protection for the functionality that the 1-2-3 program provides. The issue always has been whether a competitor may copy the arrangement of words Lotus chose to *express* the program's functionality to users, in order to offer a substitute for the original work.

The First Circuit held that Lotus' original arrangement of words is an unprotected "method of operation" pursuant to Section 102(b) of the Copyright Act of 1976 (the "1976 Act" or "Copyright Act"), 17 U.S.C. § 102(b), because its purpose is to assist users in working with the program—*i.e.*, because the menus, *inter alia*, tell users which sequences of keys to strike in order to achieve certain results when using 1-2-3. The First Circuit reached this extreme conclusion as a matter of law, without disturbing the district court's factual findings that 1-2-3's authors could have chosen innumerable other selections and arrangements of words to accomplish the same purpose, and that the particular choices they made were neither necessary to, nor dictated by, the functionality that the program provides. Borland makes no real effort to defend this unprecedented misinterpretation of Section 102(b). Borland fails to cite a single case—from any court—that has similarly construed Section 102(b) as denying protection to expression because of its utilitarian or "functional" content.¹

¹ Indeed, except for a passing reference to this Court's decision in *Feist Publications, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340 (1991), Borland fails to cite *any* case decided under Section 102(b). Thus, it completely ignores the body of case law built up over the past fifteen years in which the courts have applied that provision to user interfaces and other aspects of computer programs. See Lotus Br. at 37-39.

Instead, Borland evades the issue by claiming that this case is governed not by copyright law, but by patent law. Borland Br. at 2, 19, 24. Borland contends that Lotus cannot prevent others from copying the precise arrangement of words in the 1-2-3 menus under copyright because any such protection falls within the province of utility patents. *Id.* at 21, 29-30, 44. This novel argument rests upon a fundamental misunderstanding of patent law and of the relationship between patents and copyrights. Borland's premise that utility patents cover words that convey information is incorrect. And its impractical suggestion that copyrightability determinations under Section 102(b) should be made by negative inference from the patent law, rather than through traditional copyright analysis (*id.* at 29, 31), finds no support in the text or legislative history of the 1976 Act.

Ultimately, Borland proffers nothing more than new definitional short-cuts to replace the First Circuit's. Like the First Circuit, it fails to appreciate the thrust of Section 102(b): that a work may both embody an unprotected "idea" or "method" and contain copyrightable expression in the author's particular statement of that "idea" or "method." When—as the district court found in this case—separable expression exists, that expression is entitled to copyright protection. Neither the patent law, nor the definition of a "computer program" set forth in Section 101 of the Copyright Act, nor anything else Borland cites can provide a defensible basis for the First Circuit's holding to the contrary.

I

BORLAND MISSTATES THE CASE IN CRITICAL RESPECTS

The case Borland describes to the Court bears little resemblance to the one the parties actually tried. This case was tried under copyright law, not patent or antitrust law, and both the proof at trial and the findings of the district court were lim-

ited to establishing the elements of a copyright infringement claim.

A. Borland Mischaracterizes the Record

Borland pretends that anything ever filed in the district court is established as record fact, whether or not it was offered in evidence or was the subject of fact-finding at trial. For example, of the 22 exhibits Borland cites in its Brief, 18 were not proffered at trial.² Borland asks this Court to accept these unproven assertions as "fact" despite the Court's repeated admonitions that it does not "sit as in *nisi prius* to appraise contradictory factual questions." *Ker v. State of California*, 374 U.S. 23, 34 (1963).³ We focus on those issues where Borland's presentation is most misleading.

1. *Originality of 1-2-3.* Borland suggests that the 1-2-3 user interface is not novel because certain of its stylistic elements (such as the use of a two-line moving cursor menu) could be found in earlier programs written by 1-2-3's author, and because individual words found in 1-2-3's menus had appeared in previous works. Borland Br. at 3-4. These contentions never were tried below because Borland did not

² Borland has failed to heed Rule 24.5 of this Court, which requires that any exhibit referred to in a brief on the merits shall indicate where in the record that exhibit "was offered in evidence" and "ruled on by the judge." See, e.g., Borland Br. at 11 n.19 (citing to list of summary judgment submissions at JA 78-79). The videotapes Borland lodged with the Court are a good example. Only a small portion of Borland's original video was admitted at trial, and then only for a limited purpose not relevant here. Dkt. No. 405 at 3-6. Borland's reply video, which Lotus moved to strike when submitted for summary judgment consideration (Dkt. No. 131 at 9-10), was never offered at trial.

³ See also *Roemer v. Bd. of Public Works of Maryland*, 426 U.S. 736, 758 (1976) (refusing to reappraise factual findings based upon party's "gleaning" of "occasional evidence" from a voluminous record); *Time, Inc. v. Firestone*, 424 U.S. 448, 464 (1976) (declining to "canvass the record" to make an initial determination of fact not found by lower court).

challenge the originality of the 1-2-3 menus, taken as a whole (see *Feist*, 499 U.S. at 356-58; *Borland Br.* at 2-3; Dkt. No. 66 at 14), and anything else was irrelevant to the adjudication of Lotus' claims.⁴

2. *Quality of the parties' products.* Borland attempts to disparage the role that the 1-2-3 menus played in the product's commercial success and boasts that its infringing products were inherently superior. *Borland Br.* at 11-12. Again, Borland relies upon "evidence" that never was offered at trial, in support of contentions upon which the district court never was asked to rule. To determine Borland's liability for taking the 1-2-3 menus, the district court was required to find merely that Borland copied a "substantial part" of the infringed work.⁵ Having ruled that the 1-2-3 menus easily met this test, the district court did not need to determine their importance relative to other aspects of the program. Nor did it have any reason to determine the truth of Borland's claims of product superiority. Pet. App. 83a-84a, 140a, 180a. An infringer cannot avoid liability merely by claiming that it has improved upon, or made additions to, the original.⁶

⁴ As Justice Story wrote 150 years ago in *Emerson v. Davies*, 8 F. Cas. 615, 619 (C.C.D. Mass. 1845): "No man creates a new language for himself, at least if he be a wise man, in writing a book. He contents himself with the use of language already known and used and understood by others . . . He, who constructs by a new plan, and arrangement, and combination of old materials, in a book designed for instruction . . . has a title to a copy-right, which cannot be displaced by showing that some part of his plan, or arrangement or combination, has been used before."

⁵ Pet. App. 49a, 73a, 84a, 119a-120a, 152a-153a. See *Concrete Machinery Co. v. Classic Lawn Ornaments, Inc.*, 843 F.2d 600, 608 (1st Cir. 1988) (holding that the taking of more than "trivial aspects of another's work" constitutes infringement).

⁶ See 3 Melville B. Nimmer and David Nimmer, *Nimmer on Copyright* § 13.03[B] (1995) (hereinafter "*Nimmer*") at 13-61-62 ("If substantial similarity is found, the defendant will not be immunized from liability by reason of the addition in his work of different characters or additional and varied incidents, nor generally by reason of his work proving more attractive or saleable than the plaintiff's.").

3. *Competitive and market impact of Borland's copying.* Borland rides a second horse in the opposite direction by contending that, despite the alleged "superiority" of Quattro, it could not compete with Lotus in 1987 unless it copied the 1-2-3 menus.⁷ The First Circuit apparently agreed. Its decision assumes that the popularity of 1-2-3 created a "lock-in" effect that precluded the introduction of superior products that did not copy the 1-2-3 menus (Pet. App. 20a, 26a), and that this market condition continued to prevail as late as 1995. *Id.* at 26a. What Borland omits, and the First Circuit ignored, is that this issue was not litigated in the district court and therefore was not raised properly on appeal.⁸ The extent to which copying the 1-2-3 menus contributed to the sales of Quattro and Quattro Pro was to have been the subject of the damages trial, which did not occur.⁹ That the First Circuit could base its decision upon an erroneous assumption concerning Lotus' alleged market dominance, years after 1-2-3 had been eclipsed

⁷ *Borland Br.* at 13 n.23. Borland's sole supporting citation is the 1991 deposition testimony of its chairman, Philippe Kahn. At that deposition, however, Mr. Kahn also testified:

Q. Is it still your belief that in order for Quattro or Quattro Pro to be marketable it needs to execute 1-2-3 macros?

A. I don't know. (JA 657)

⁸ See *Icicle Seafoods, Inc. v. Worthington*, 475 U.S. 709, 714 (1986) (vacating judgment because appellate court "should not simply have made factual findings on its own").

⁹ By the time the First Circuit's decision mooted the damages trial, Borland had indicated its intent to call expert witnesses to opine that Borland's copying had, at most, a modest effect upon its sales. These included the economist William Baumol of Princeton and N.Y.U., who supervised econometric analyses purporting to show *no* measurable "network effect" attributable to the 1-2-3 menus, and the marketing researcher John Hauser of M.I.T., who conducted a survey of Borland's customers. See Dkt. No. 624, Ex. B at 3 (Baumol); Dkt. No. 652, Ex. A (Hauser). Although Lotus had intended to offer evidence demonstrating that Borland's copying had a larger effect on its sales, the issue was never resolved.

by Microsoft Excel, is a perfect illustration of the danger in decision-making unsupported by record fact.¹⁰

More fundamentally, Borland did not assert an antitrust counterclaim or similar defense in the district court. Thus, typical antitrust issues such as market definition, barriers to entry, or market power (due to "network effects" or other factors) were not tried below. This was, and remains, a copyright case; it has *never* been a principle of copyright law that the reward for a work's popularity is forfeiture of the owner's property rights. As the Court held in *Harper & Row, Publishers, Inc. v. Nation Enter.*, 471 U.S. 539, 559 (1985), it is "fundamentally at odds with the scheme of copyright to accord lesser rights in those works that are of greatest importance to the public." The First Circuit's introduction of "competitive impact" analysis in determining the copyrightability of a work is both unprecedented and unwarranted. Indeed, if this Court were to adopt the view that an antitrust-like inquiry should be made before a copyright can be held valid, the result would be a dramatic increase in the burden and expense of copyright infringement litigation in a manner Congress never intended.

¹⁰ Borland attempts to explain Excel's market success, in part, by claiming that Excel provided 1-2-3 compatibility while Borland was enjoined from doing so. Borland Br. at 16. This explanation is both outside the record and contrary to historical fact. By the time Borland was enjoined in August 1993, sales of Excel already had surpassed those of 1-2-3 and Quattro Pro, as can be verified from publicly available information. See Paul Andrews, "User Friendly," *Seattle Times*, Aug. 31, 1993, at D3. And, although Excel did attempt to ease the transition for former 1-2-3 users, it did so through features unlike Borland's "1-2-3 emulation" interface, including the "Help for 1-2-3 Users" screen Borland includes in its Brief (at A-5) to suggest, falsely, that Excel also had "emulation" menus. See Pet. App. 39a, 237a. The district court was never called upon to determine (i) whether anything in Excel infringed Lotus' copyrights, or (ii) why Excel achieved market success. Borland invites the Court to join the First Circuit in substituting speculation for a trial record.

B. The Issue is Expression

Contrary to Borland's misstatement of the district court's holding as extending protection to a "selection and arrangement of executable operations" (Borland Br. at 1, 8, 18, 43), the district court held that a program could provide exactly the *same* functional operations that 1-2-3 provides without infringing Lotus' copyrights, so long as it used different words to express those operations to users. Pet. App. at 86a-89a, 128a-133a. The court protected only the coupling of the "selection and arrangement" of operations with their *expression* in the 1-2-3 menus—like the arrangement of unprotected facts in a copyrighted compilation. Pet. App. 40a-41a, 132a-133a. Borland's "native" menus duplicated the functions of 1-2-3, but Lotus never claimed that they infringed. The district court found that Borland's "1-2-3 emulation" menus infringed because Borland had copied 1-2-3's expression, not its selection of functions.

Indeed, Borland does not deny that the 1-2-3 menus contain expression separable from the program's functionality. Borland concedes that the words in the 1-2-3 menus are not buttons, but a "depiction" of the various steps a user may take to instruct the program to perform various operations. Borland Br. at 5. To "depict" means "to represent or characterize in words; describe." *Random House College Dictionary* 357 (rev. ed. 1988). And while Borland claims to discern a "firm line" between the words in the menus and other explanatory aspects of the 1-2-3 product, such as a narrative description in the user's manual or a few lines of text in its on-screen "help" facility (Borland Br. at 6-7), Borland concedes that even an individual long prompt describing an individual menu command—such as "Copy a cell or range of cells"—may qualify for copyright protection. *Id.* Borland cites nothing to suggest that the difference between collections of one-word descriptions and seven-word descriptions is meaningful for copyright purposes,¹¹ or that an

¹¹ See *Lipton v. The Nature Co.*, No. 94-9123, 1995 WL 700377, at *4-6 (2d Cir. Nov. 28, 1995) (upholding copyright protection in par-

abbreviated reference guide—such as a summary or index—cannot constitute expression merely because a *more* detailed explanation is contained elsewhere in the work.

II

PATENT VS. COPYRIGHT—A FALSE DICHOTOMY

Borland erects a classic “straw man” argument when it asks the Court to decide “whether copyright extends to the subject matter of utility patents.” Borland Br. at 44. Although Borland tries to portray Section 102(b) as establishing two mutually exclusive worlds of intellectual property protection (*id.* at 29), as if the Copyright Act were nothing more than the “Not-Patent Act,” it fails to demonstrate that any genuine conflict between the two bodies of law *does* exist with regard to the subject matter of this case.

The essential premise of Borland’s argument is that the arrangement of words in the 1-2-3 menus might have been protected by a utility patent, and therefore may not be protected by copyright. But Borland is consistently vague as to the form this hypothetical patent would take. What, exactly, is the claim it imagines could be drafted to cover a particular arrangement of words, but *only* that arrangement of words?¹² Borland ignores the long-standing “printed matter” doctrine of patent law, which provides that “claims defining as the invention certain novel arrangements of printed lines or particular selection and arrangement of 77 three-word ‘animal terms of ventry’ such as a ‘leap of leopards’”).

¹² Borland misperceives basic principles of patent interpretation when it asserts that disclosure of the “best mode” pursuant to 35 U.S.C. § 112 in a patent claiming a process or method of menu display, comparable to those referenced in Borland’s Brief, “would doubtless cover the words themselves.” Borland Br. at 35. It is well settled that the grant of a patent covers only the claims, and does not extend to the specifications, descriptions, or embodiments of the claimed invention that the applicant is required to disclose. *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 365 U.S. 336, 339 (1961). None of the patents Borland cites, in fact, claims a particular arrangement of words.

acters, useful and intelligible only to the human mind” are not patentable.¹³ Under the PTO’s Proposed Examination Guidelines for Computer-Implemented Inventions, 60 Fed. Reg. 28,778 (June 2, 1995), patents still will not issue for claims that define “information rather than a computer-implemented process or specific machine.”¹⁴ Because the purpose of the 1-2-3 menus is to provide “information,” Borland’s assumption that they could be the subject of a utility patent is simply incorrect.

Borland’s contention that certain terms in Section 102(b) should be construed as incorporating principles of patent law (Borland Br. at 31-35) is both wrong and irrelevant. Nothing in the text or legislative history of the 1976 Act suggests that Congress intended the Patent Act and the Copyright Act to be read as a single, integrated statute, with common definitions and cross-referencing provisions.¹⁵ Nor does Borland explain how Congress *could* have intended the two statutes to be read together with regard to the copyrightability of computer programs, in light of the fact (which Borland does not dispute) that computer programs, standing alone, were not considered patentable when Congress passed the 1976 Act and the 1980 Software Amendments.

¹³ *In re Lowry*, 32 F.3d 1579, 1583 (Fed. Cir. 1994) (citation omitted). When asked by Congress to address the subject of user interface patentability in 1991, the Patent and Trademark Office (“PTO”) declared that “[t]he mere display on a [computer] screen of commands, menus, questions and answers, forms, or icons is not generally considered patentable subject matter for utility patents” under the “printed matter” doctrine. U.S. Patent and Trademark Office and U.S. Copyright Office, “Patent-Copyright Laws Overlap Study,” submitted July 17, 1991 (the “Joint Study”), at 45-46.

¹⁴ U.S. Patent and Trademark Office, “Legal Analysis to Support Proposed Examination Guidelines for Computer-Implemented Inventions,” Oct. 3, 1995, at III.B.1.

¹⁵ Only one term—“process”—is found in both Section 102(b) of the Copyright Act and Section 101 of the Patent Act (35 U.S.C. § 101, defining statutory subject matter).

The point is irrelevant because patent and copyright protection may coexist in the same work if the separate eligibility requirements are met.¹⁶ A patent may be obtained for a novel "process," even as a copyright will protect an original expression of that "process," whether or not it is patented. *Baker v. Selden*, 101 U.S. 99, 102-03 (1879). The two statutes reward different forms of creativity in different ways, but their policies do not conflict.¹⁷ As this Court declared in *Mazer v. Stein*, 347 U.S. 201, 217 (1954) (footnote omitted):

Neither the Copyright Statute nor any other says that because a thing is patentable it may not be copyrighted. We should not so hold.

Borland contends that the principle enunciated in *Mazer* is limited to design patents (Borland Br. at 30), but no court has so held and Borland fails to present any rational reason why this should be so.¹⁸ Thus, even if Borland is correct that the terms of Section 102(b) should be read as excluding patentable subject matter, the Court still must address the

¹⁶ In a joint submission to the House Subcommittee on Intellectual Property and the Administration of Justice, the PTO and the Copyright Office reported in 1991 that a computer program could both comprise part of a patented process and be protected by copyright. Joint Study at 10-11. See also 1 *Nimmer on Copyright*, § 2.19 at 2-204.30 ("It will seem on principle that if a work otherwise meets the requirements of copyrightability, it should not be denied such, simply because the claimant happens to be entitled to supplementary protection under other Legislation.").

¹⁷ See *Kewanee Oil Co. v. Bicron Corp.*, 416 U.S. 470, 491 (1974) (stating that concurrent trade secret protection for patentable inventions does not conflict with the policies behind the Patent Act).

¹⁸ Borland's flawed reading of *Mazer* rests upon a footnote in which the Court merely referred to a party's citation of *Taylor Instrument Cos. v. Fawley-Brost Co.*, 139 F.2d 98 (7th Cir. 1943), cert. denied, 321 U.S. 785 (1944), to support the party's contention that utility patents and copyrights could not "overlap." 347 U.S. at 215 n.33. *Taylor* itself held only that copyright could not be obtained for a chart that "neither teaches nor explains the use of the art" (139 F.2d at 100)—a factual finding contrary to the district court's in this case regarding the 1-2-3 menus.

"idea/expression" (or "patent/expression," in Borland's view) dichotomy codified in that provision. Nothing in the patent law can assist in that task.

Borland's approach would also dramatically complicate the adjudication of even simple copyright cases. Under its theory, every infringement case involving copyright in a utilitarian work also would become a patent case, in which the district court would first need to determine patentability in the abstract and without the benefit of an examined patent claim.¹⁹ Moreover, this new body of "patentability" decisions, rendered in cases arising under the Copyright Act, would sabotage the uniform development of patent law that the Federal Circuit was created to provide.²⁰

Ultimately, Borland's repeated refrain that Lotus is improperly seeking to obtain "patent-like protection" through copyright (e.g., Borland Br. at 21) can be dismissed as mere rhetoric. The district court never held that Lotus' copyrights gave it a "patent-like" monopoly on the use of menus to express the functionality of a spreadsheet program. If it had, Borland's "native" menus also would have infringed, despite their use of different words. Rather, the district court extended protection only to the original selection and arrangement of words Lotus chose to employ, and found infringement due to Borland's copying of that selection and arrangement. Pet. App. 36a, 84a. Far from "patent-like," this is the traditional protection afforded by copyright.²¹

¹⁹ See *Kewanee*, 416 U.S. at 491 (recognizing the "almost impossible burden" of a rule requiring courts to determine patentability without an examined claim before granting trade secret protection).

²⁰ Because cases raising only copyright claims do not fall within the jurisdiction of the Federal Circuit pursuant to 28 U.S.C. § 1295(a)(1), appellate review of these "shadow" patent rulings would lie in each of the twelve other courts of appeals.

²¹ Indeed, because Judge Keeton found that Borland included "virtually identical" copies of the 1-2-3 menus in its products (*id.*), the menus would be protected even under the "thin" copyright protection afforded to compilations of facts or data. See *Feist*, 499 U.S. at 349.

III

BORLAND FAILS TO ANSWER LOTUS' SECTION 102(b) ARGUMENT

Borland flatly misstates Lotus' argument concerning the proper interpretation of Section 102(b). *See* Lotus Br. at 26-29. Lotus does not argue, as Borland suggests, that the only operative term in Section 102(b) is the word "idea," and that the remaining terms are either extraneous or redundant. Borland Br. at 31. Rather, our argument, properly understood, is that each of those terms stands in exactly the same relationship to protected "expression" as does an "idea." Section 102(b) establishes an overarching distinction between the original expression of a particular subject and the subject itself. That is, just as there is an "idea/expression" dichotomy, there is also a "system/expression," a "method/expression," a "process/expression"—and even a "fact/expression" (*see Feist*, 499 U.S. at 350)—dichotomy. In each case, the task of the court is the same—to undertake a factual inquiry to determine whether the work at issue contains identifiably separable "expression." If so, that expression is entitled to protection. If not, then the expression and the "idea" (or "method" or "process") have merged, and the work is unprotected.

The district court faithfully undertook this task, finding after two trials that the expression in the 1-2-3 menus could be separated from their underlying functionality (or "system" or "method"). Under its ruling, anyone is free to publish a spreadsheet program that performs the same functions, uses the same kind of menus, and even organizes its menus in the same way according to the same principles. All that is prevented is the use in another spreadsheet program of the same words in the same order to express the same functions. The court's decision flows directly from *Baker v. Selden*:

The use by another of the same methods of statement, whether in words or illustrations, in a book published for teaching the art, would undoubtedly be an infringement of the copyright. (101 U.S. at 104.)

The First Circuit did not reject the district court's findings on this subject as clearly erroneous; it simply ignored them as "immaterial" to its analysis. Pet. App. 17a. Other than drawing an inapposite analogy to VCR buttons (*id.* at 18a-20a), the First Circuit never even attempted to explain why those words were not conceptually distinguishable from the functions they represented. Neither does Borland.

Instead, Borland contends that the menus are unprotected because they do not fit the statutory definition of a "computer program," based upon references in the CONTU Report to "source and object code."²² CONTU never stated, however, that copyright protection would be limited as Borland suggests,²³ and it would be error to ignore the plain meaning of the statutory language even if CONTU had.²⁴ Nor does

²² Borland Br. at 47. This is why Borland so vigorously resists any suggestion that the words in menus appear in a program's code. *Id.* at 11. Yet Borland's own description of the "iterative" process by which the 1-2-3 menus were developed, stressing the extent to which each change in the menus required subsequent implementation in the code (*id.* at 5), proves that Lotus' assertions regarding 1-2-3 are correct. And Borland cannot deny that these same words appear in its code as well: the developer of Quattro Pro agreed at deposition that "somewhere in the code" of the program every word appearing in the menus was "actually typed out." JA 764-65.

²³ For example, CONTU anticipated copyright protection for flowcharts, computer databases, and many other computer-based works other than source and object code. CONTU Report at 1, 16, 21, 25 & 38.

²⁴ As the First Circuit implicitly acknowledged, the 1-2-3 menus do fit within the express terms of the definition. *Compare* Pet. App. 27a (the purpose of the menus "is to transmit directions from the user to the computer, i.e., to operate the computer"; emphasis in original) with 17 U.S.C. § 101 (a "computer program" is "a set of statements or instructions to be used directly or indirectly in a computer in order to bring about a certain result").

Borland adequately address the fact that the 1-2-3 menus also fit comfortably within the Section 101 definition of a "literary work." Borland Br. at 45-46. This fact cannot be so easily dismissed, however, because Congress explicitly stated its intention for computer programs to receive protection under the 1976 Act as "literary works" *before* it received CONTU's recommendations.²⁵

But even if we assume, *arguendo*, that the 1-2-3 menus fit within neither of these statutory definitions, Borland still is mistaken in arguing that they cannot be protected by copyright. Borland misperceives the role that the Section 101 definitions play in the statutory scheme. They neither limit the grant of copyright in Section 102(a) nor specify the scope of protection Congress has afforded to copyrightable works.²⁶ As the legislative history makes clear, the categories of protected works identified in Section 102(a) and defined in Section 101 were intended to be "illustrative, not limitative." House Report at 53, *reprinted in* 1976 U.S.C.C.A.N. at 5666. One simply cannot reconcile the expansive language of Section 102(a), which expressly provides that copyright protects original works of authorship fixed in any medium of expression "now known or later developed," with Borland's stunted view that Congress intended copyright protection for computer programs to provide only "limited protection of source and object code." Borland Br. at 49.

²⁵ See H.R. Rep. No. 1476, 94th Cong., 2d Sess., at 53 (the "House Report"), *reprinted in* 1976 U.S.C.C.A.N. 5659, 5666.

²⁶ For example, although the definition of a "motion picture" is a "series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any" (17 U.S.C. § 101), no court has interpreted that definition as precluding protection for a motion picture's plot, dialogue, or characters—all of which are plainly protected. See Declaration of Melville B. Nimmer, ¶ 24, *reprinted in* Anthony L. Clapes, et al., *Silicon Epics and Binary Bards: Determining the Proper Scope of Copyright Protection for Computer Programs*, 34 UCLA L. Rev. 1493, 1591 (1987).

Thus, whether the 1-2-3 menus can be characterized as a "computer program" or "literary work," more simply as a "work of authorship," or as a non-literal element of a computer program (as the district court did, Pet. App. 126a-28a, 224a-26a), ultimately is irrelevant. Under any or all of these labels, they comprise copyrightable subject matter under Section 102(a). The question then is whether Section 102(b) denies them protection because their purpose is to describe and explain a particular set of functional operations. Neither Borland nor the First Circuit has provided any reasoned principle this Court could employ to reach that result.

Simply put, the words in the 1-2-3 menus are not buttons on any machine. They do not act or cause the computer to act. They serve to inform or remind the user as to which keystrokes to strike in a particular order to cause the program to perform a particular operation. The user does not type or speak the words found in the menus—the program would not respond to either such form of input.²⁷ Rather, the user either strikes certain lettered keys on the keyboard, or moves the cursor and hits the "Enter" key, in order to select commands and communicate those selections to the program. Even when commands are selected by use of the cursor, the program does not respond to the word itself, but to the position of the cursor on the screen when the "Enter" key is hit. The program would do exactly the same things at exactly the same times if the words were blanked out on the computer screen or, indeed, if the monitor was turned off.²⁸ The only difference would be that the user, deprived of the information those words provide, would have to guess or remember which keys to strike in order to bring about the desired result.

²⁷ Borland's assertion that commands "may also be selected when they are spoken into a computer equipped with voice recognition software" (Borland Br. at 3) is pure invention. Whatever software Borland is referring to, it is not part of 1-2-3.

²⁸ This point can be confirmed by reference to the "Software Library" included in the record transmitted to this Court, which contains all the relevant programs installed on a computer. Dkt. No. 360.

If this informative function is sufficient to render the 1-2-3 menus an inseparable part of a method of operation, then the same is true of any sheet of piano music. Like 1-2-3's menus, the sheet music contains a series of notations that tell the pianist which keys to strike in which order. Like the 1-2-3 user, as the pianist practices and learns a particular composition, he or she becomes less dependent upon the visual assistance provided by the music (menus), until some or all of the keystrokes are memorized. As with spreadsheet programs, each new musical composition requires the pianist to learn new keystrokes. The First Circuit labelled this "absurd" in the context of a computer program (Pet. App. at 20a), but presumably would have no objection if the subject were Mozart instead. The First Circuit's difficulties in understanding or appreciating the expression in the 1-2-3 menus is no excuse, however, for its failure to protect that expression in accordance with Congress' mandate.²⁹

IV

BORLAND'S AMICI URGE POLICY ARGUMENTS BETTER DIRECTED TO CONGRESS

Borland's *amici* (more than half of whom acknowledge being subsidized by Borland) present a varied assortment of policy reasons why, in their view, the Lotus 1-2-3 menus ought not to be protected by copyright, but fail to demonstrate through competent legal argument that the menus are *not* protected under current law.³⁰ The short answer to their con-

²⁹ See *Bleistein v. Donaldson Lithographing Co.*, 188 U.S. 239, 251 (1903) (Holmes, J.) (reversing decision that advertisements were *per se* ineligible for copyright protection, and warning that "[i]t would be a dangerous undertaking for persons trained only to the law" to attempt to judge the worth of copyrightable works, "outside of the narrowest and most obvious limits").

³⁰ For example, the "Copyright Law Professors" alone offer seven conflicting theories in support of the outcome—if not the reasoning—of

tentions is that they are lobbying the wrong branch of government. If they believe that Congress gave too little weight to the policy concerns they advance or that circumstances have changed since Congress passed the 1976 Act in ways that Congress did not (or could not) anticipate, their remedy is to attempt to persuade Congress to amend the statute.³¹

Instead, Borland's *amici* advocate that this Court should establish new limitations on the scope of copyright protection for computer programs—or, in the First Circuit's words, "devis[e] a new doctrine that Borland's use is privileged." Pet. App. 27a. But the Copyright Act is already replete with numerous exceptions, including detailed regulatory schemes involving compulsory licensing and royalties, intended to address those circumstances that Congress determined should be covered by special rules.³² None of these exceptions

the First Circuit's decision. Brief *Amicus Curiae* of Copyright Law Professors, at 3-4. Incredibly, this group of copyright academicians argues, upon the authority of *Baker v. Selden*, that copyright in "functional writings" does not extend to the expression of "functional content" (*id.* at 14-15)—despite the Court's explicit statement in *Baker* that copyright will protect an author's original description or explanation of a patentable "mixture" or of a useful "art." *Baker v. Selden*, 101 U.S. at 102-03, 104. They do not even try to reconcile their assertion with Congress' decision to recognize copyright protection for computer programs in full awareness of their functional purpose. If a line of source code such as "ADD A,B" is not an expression of "functional content," it is difficult to imagine what is.

³¹ Indeed, counsel of record for the Copyright Law Professors has argued that neither copyright nor patent law appropriately protects computer programs and proposes, instead, a new *sui generis* intellectual property regime, under which the 1-2-3 menus would receive protection against "clones" and "near-clones" like Borland's products for a limited period of time. See Pamela Samuelson, Randall Davis, Mitchell D. Kapur & Jerome H. Reichman, *A Manifesto Concerning the Legal Protection of Computer Programs*, 94 Colum. L. Rev. 2308, 2312-14 (1994) (stating that such protection is necessary to prevent "clones" from destroying the "incentives to invest in software innovation").

³² See, e.g., 17 U.S.C. § 108 (permitting limited reproduction by libraries and archives); § 110 (permitting instructional performances in classrooms); § 111 (establishing compulsory licensing of television cable operators); § 115 (establishing compulsory licensing for phonorecords);

applies to this case. If Congress agreed that user interfaces of computer programs are simply too important to protect (or should only enjoy protection with special limitations on scope or duration),³³ or that users require greater protection for their investments in training or macros,³⁴ or that success sufficient to generate some unspecified level of "network effects" ought to divest copyright owners of their preexisting property rights,³⁵ Congress is perfectly capable of drafting a statutory provision to address any and all of these concerns. To date, Congress has declined to do so.

There are good reasons why Congress has not seen fit to adopt the approach of the *amici*. For example, the "network effects" argument boils down to a contention that the popularity of a work results in the forfeiture of its copyrights—a point of view that has never before been credited in American

§ 119 (establishing compulsory licensing scheme regarding certain satellite transmissions).

³³ See, e.g., Brief *Amicus Curiae* of American Committee for Interoperable Systems ("ACIS"), at 3, 20 (arguing for exception where copying is intended to promote program "interoperability"). The Court should hesitate to assume that ACIS (or the other Borland *amici*) fairly represent the industry on whose behalf they purport to speak. ACIS, for example, was formed specifically for the purpose of advocating its members' interest in maximizing their ability to develop products for "computer systems developed by other companies." *Id.* at 1. Its worldwide campaign in service of this goal has frequently brought its views into conflict with others in the industry as well as the United States government. See, e.g., Andrew Pollack, "U.S. Protesting Japan's Plan to Revise Software Protection," *N.Y. Times*, Nov. 22, 1993, at D2; T.R. Reid and Peter Behr, "A Software Fight's Blurred Battle Lines; U.S. Computer Companies Are on Both Sides as Japan Considers Copyright Law Changes," *Wash. Post*, Jan. 11, 1994, at D1; James M. Burger, "Fair Fight for Software," *Wash. Post*, Jan. 22, 1994, at A16. See generally Anthony L. Clapes, *Softwars: The Legal Battles for Control of the Global Software Industry* 8-9 (1993) (describing the global struggle between "software originators and software copiers").

³⁴ Brief *Amicus Curiae* of Users Groups, at 16-19. Of course, the users would have a broad "fair use" defense, unavailable to Borland.

³⁵ Brief *Amicus Curiae* of Economics Professors and Scholars, at 15.

copyright law.³⁶ Moreover, many of the concerns the *amici* raise are not unique to computer programs at all, but are inherent in copyright protection generally. "Network effects" in one form or another surround many types of traditionally copyrightable works.³⁷ Similarly, the complaint of the "Users Groups" that their ability to exploit their learning or the macros they have written for use with Lotus 1-2-3 may be limited, to some extent, if others are not free to copy that program,³⁸ is scarcely unusual under copyright law. Indeed, "switching costs" are an ordinary fact of economic life, whether or not copyrights are involved. The inconvenience of learning a new spreadsheet program or re-writing macros is not materially different from that experienced by a repertory theater group (or a major motion picture studio) that must abandon a long-planned production because it has lost its rights to the underlying work. And all these difficulties pale in comparison to the predicament of the sailors whose ability to avoid the Nantucket shoals depended upon access to a

³⁶ Indeed, the entire discussion about the value of the 1-2-3 menus being derived from the investment of others is a red herring. That the award-winning, classic motion picture "Rear Window" may have reflected vastly more creative value and financial investment than the obscure magazine article that inspired it did not excuse the filmmaker's failure to secure the necessary rights from the author of the article. See *Stewart v. Abend*, 499 U.S. 207, 211-13, 227-28 (1990).

³⁷ For example, teachers may develop extensive course materials, tests, and plans of instruction centered around a "standard" copyrighted textbook. No one would argue that this gives the teachers a right to duplicate the textbook if the publisher issues a materially revised edition, or gives another publisher a right to satisfy the teachers' pent-up demand by copying the original textbook. Nor does the existence of extensive markets for toys, clothes, and similar items relating to popular movies or imaginary characters like "Barbie" or "Snoopy" imply that the rights in the works at the hub of such a "network" are in any way diminished.

³⁸ Brief *Amicus Curiae* of Users Groups, at 20-21. The Users Groups concede that the "barrier" to adoption of a new spreadsheet program "is not an insuperable one." *Id.* at 16. The closest they come to giving a quantified answer to their own question concerning "how much time would be required for retraining" is "a lot." *Id.*

copyrighted chart. *Blunt v. Patten*, 3 F. Cas. 763 (C.C.S.D.N.Y. 1828). Yet never before has a copyright been lost because of such concerns.

Viewed from a consumer's short-term perspective, copyright protection is always a bother—it limits the free availability of the works we wish to see, hear, and use, and no doubt requires us to pay more to obtain them. The Copyright Act, however, reflects Congress' judgment—and the judgment embodied in the Constitution—that providing these incentives to authors will enhance the public welfare in the long run, by inspiring a plentiful supply of new and original works. At bottom, Borland and its *amici* ask the Court to strike a different balance in this case, but can point to nothing in the 1976 Act or its legislative history to justify that result.

CONCLUSION

The decision of the First Circuit should be reversed and the case remanded for further proceedings.

Respectfully submitted,

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